

Javits-Wagner-O'Day (JWOD)
Strategic Sourcing Solutions





JWOD PROGRAM BACKGROUND

The Javits-Wagner-O'Day Program is...

- A preferred source to fulfill product and service requirements.
 - An experienced provider of both standard and custom solutions.
 - A national network of contractors that delivers a wide array of goods and services.
 - A collaborative business partner delivering customer satisfaction and best value.



JWOD PROGRAM BACKGROUND

The Javits-Wagner-O'Day Program is also...

- A unique, socioeconomic program creating jobs for people who are blind or otherwise severely disabled.
 - The single largest employer in the U.S. of persons who are blind or severely disabled – in FY 2004, more than 45,000 people
 - A cost-effective way to help reduce the nearly
 70% unemployment rate for this population.
 - A program that promotes good stewardship of Federal contracting dollars.



STRATEGIC SOURCING IN ACQUISITION

- Strategic sourcingA <u>collaborative</u> and structured process of analyzing an organization's spending and using the information to develop strategies that increase efficiencies and reduce overall cost.
- CollaborativeCAOs, CFOs, CIOs, and other agency leaders will **spearhead** the effort to **minimize** costs while **maintaining** mission effectiveness and **supporting** socioeconomic goals.
- The JWOD Program can help agencies take that first step towards <u>institutionalizing</u> strategic sourcing through <u>better pricing</u> and <u>better performance</u>.



JWOD AND STRATEGIC SOURCING...

- JWOD furnishes many products and services that may be considered "commodities" or high volume, leverage-able requirements:
 - Office supplies, cleaning products;
 maintenance, medical and subsistence items
 - Admin services, janitorial services, etc.
- New JWOD lines of business support value-added, strategic acquisition:
 - Document management / destruction
 - Fleet management
 - Warehousing and distribution
 - Central facilities management, etc.



JWOD AND STRATEGIC SOURCING...

- The JWOD Program should be addressed in agency-wide Strategic Sourcing Plans (OMB Memo, 5/20/2005).
- JWOD Program's Objectives:
 - Maintain current JWOD work as prime or directed subcontractor.
 - Develop new JWOD solutions that meet
 Strategic Sourcing needs.
 (Examples to follow)



STRATEGIC SOURCING EXPERIENCES

- JWOD has successfully participated in Strategic Sourcing initiatives, such as
 - USPS national contracts for office, cleaning and maintenance supplies
 - Army BPA for office products.
- Other successful experiences in national or regional sourcing strategies for services
 - IRS Mailrooms; IRS Document Destruction
 - Air Force ACC Switchboard.
- Participated in design of DOD Admin
 Services Commodity Council Pilot Program
 - JWOD nonprofit agencies will be a sourcing option alongside small business contractors



EXAMPLE OF POTENTIAL SOLUTION

- Currently exploring a regional janitorial project with a major military customer.
 - Goal: Combine existing JWOD contracts and enable consideration of related local requirements for value-added central management.
- Anticipated benefits include:
 - Quality, standardized service at fair price;
 - Centralized, simplified acquisition and program management for custodial services;
 - Collaborative, long-term business relationship;
 - Enhanced cost visibility across the region;
 - Regional control w/ local execution and flexibility.

Note: Project must still go through full regulatory review and decision process by Committee, but illustrates potential for efficiencies.



ADVANTAGES TO STRATEGIC SOURCING WITH JWOD PROGRAM

- Standardize acquisition business processes.
- Standardize product/service delivery.
- Reduce <u>total cost of ownership</u> for acquired goods or services.
- Increase realization of socioeconomic goals.
- JWOD priority status allows flexible role in determining best solution.
 - Can participate within or as complement to strategic sourcing contract vehicles.



IMPLICATIONS FOR JWOD PROGRAM

- Must track and address participation on the front-end of Strategic Sourcing Initiatives.
- Recognize the need to negotiate the JWOD
 "marketshare" with other sources, including
 socioeconomic programs.
- Prepare to participate in value-added strategy:
 - Standardization,
 - Consolidation,
 - Data collection and
 - Economies (savings or cost avoidance).



OPPORTUNITIES

- Bottom Line: the JWOD Program is uniquely positioned to be part of many Strategic Sourcing efforts.
 - Nationwide network of nonprofit agency contractors – can provide value-added management and/or data.
 - Vast experience in many lines of business appropriate for leveraged purchasing to maximize value.
 - Priority source/socioeconomic status enables collaboratively-determined role in solution.



FOR MORE INFORMATION

Explore a role for the JWOD Program in your agency's Strategic Sourcing Program --

Contact:

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Also, visit booth # 302 at the FACE exhibit

Resources:

- www.jwod.gov
- www.nish.org
- www.nib.org

